

ARMIDALE INVESTMENTS CORPORATION LIMITED

ABN 58 100 854 788

Appendix 4E Statement Preliminary Final Statement

RESULTS FOR ANNOUNCEMENT TO THE MARKET

YEAR ENDED 30 JUNE 2015

All comparisons to the year ended 30 June 2014

2.1 Comparison to prior year

	2015	2014	Up/Down	Change from Prior Year %
	\$	\$	\$	
Revenue from ordinary activities	2,070,359	1,949,211	121,148	6.22
Repayments – Hal Loan Note	900,000	2,139,569	(1,239,569)	(57.94)
Revaluation of investments	6,729,689	1,439,659	5,290,030	367.45
Net profit before tax attributable to members	8,092,213	4,032,518	4,059,695	100.67
Net profit after tax attributable to members	7,799,415	3,654,966	4,144,449	113.39

2.2 Dividends (distributions)

No dividends were declared or paid during the year.

2.3 NTA Backing

	2015	2014
Net tangible asset backing per share	\$0.14	\$0.14

2.4 Summary and comments

- Profit after tax of \$7.8 million for the year to 30 June 2015 compared to a profit after tax of \$3.7 million for the year ended 30 June 2014.
- Basic earnings per share was a profit of 2.73 cents per share in the year to 30 June 2015 compared to a profit of 1.71 cents per share for the year to 30 June 2014.

ARMIDALE INVESTMENTS CORPORATION LIMITED
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AND ITS CONTROLLED ENTITIES

2.5 Report any factors which have affected the results during the reporting period or which are likely to affect results in the future, including those where the effect could not be quantified

Hal Data Services Pty Limited and controlled entities (Hal), being a controlled entity of the AIK Group, continued to provide operating cash inflows to the AIK Group through the management of the existing lease book and the recovery of funds from the previously written off lease book through stringent collections activities. In addition, the re-entry into the active operation by Hal of originating leases continued with \$25,205,174 of new leases (at asset cost) written in the 2015 financial year. Funding of these leases was through a combination of loans from AIK, raising of funds through the Hal debenture program and principal and agency funding arrangements with external parties. Hal remains confident that growth on this origination level can be achieved through the 2016 financial year.

An independent valuation of the Company's interests in Hal in June resulted in an \$11,736,685 increase in the carrying value of the Hal investment to \$26,465,627 recorded in the AIK accounts. This was mainly driven by the increased volume of leases being written.

AIK increased its shareholding in Riverwise Pty Limited during the year from 29.02% to 32.71%. The Riverwise investment was also revalued which resulted in a decrease in the carrying value of \$4,926,197 to \$6,053,762. This was mainly due to major structural changes in two business units.

Riverwise is the sole shareholder of Leading Edge Group (LEG). LEG is an Australian owned company that operates as a telecommunication distributor and buying group. It also owns Telstra Business Centres in Victoria and New South Wales, retail and business to business distribution for Spark (formerly Telecoms New Zealand) and is a significant British Telecom distributor in the United Kingdom. Its buying group members have over 900 independently owned, predominantly retail shop-fronts throughout Australia. AIK's key management team continued to provide management services to Riverwise during the year.

NOTES

1. This report is based on the financial report which has been audited.
2. All the documents comprise the information required by listing rule 4.3A.



Andrew Grant
Executive Director
Date: 27 August 2015